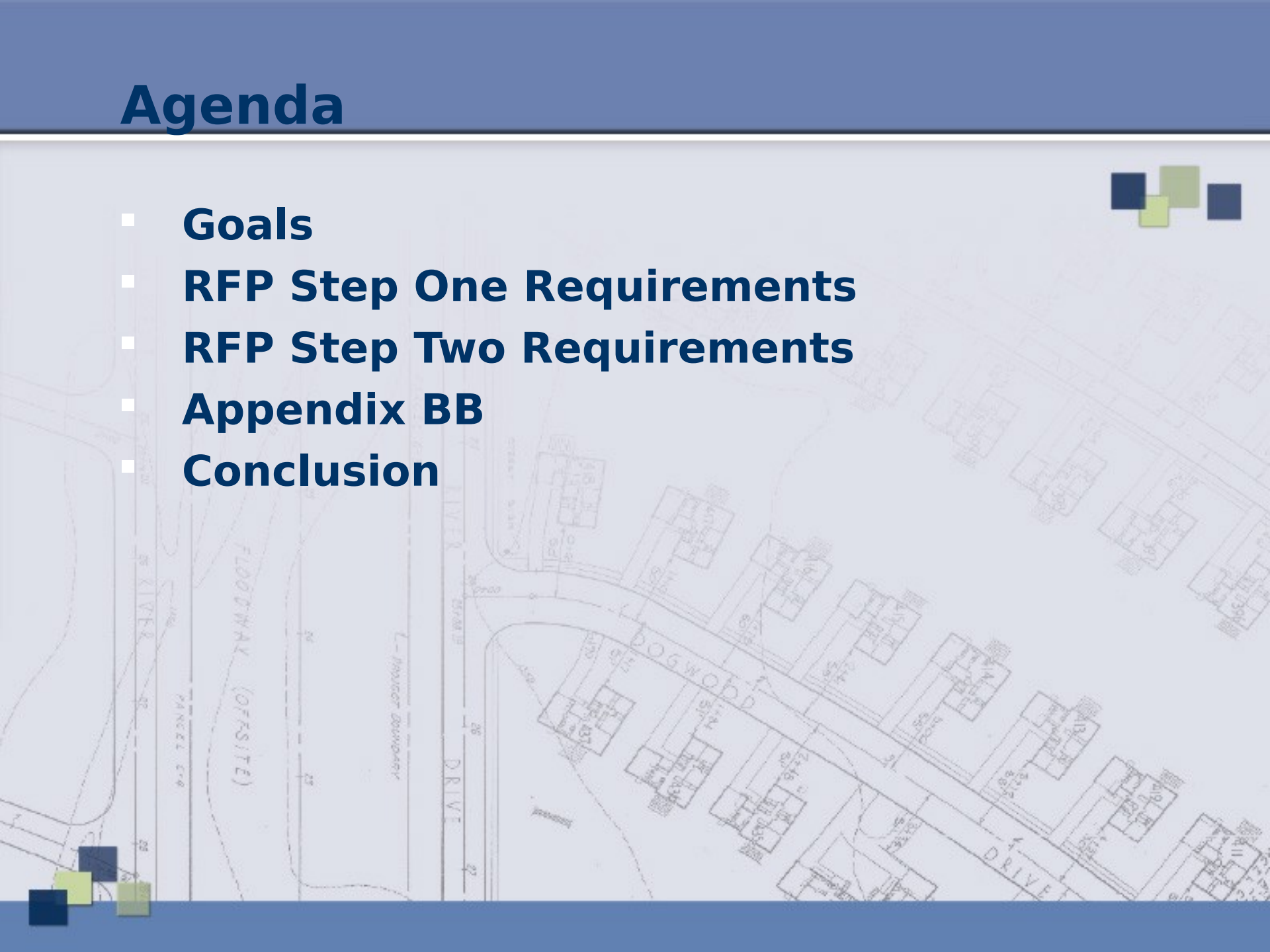
Financing Competition

Jones Lang LaSalle
September 29, 2004

Agenda

- Goals
- RFP Step One Requirements
- RFP Step Two Requirements
- Appendix BB
- Conclusion



Financing Competition - Goals

- **Obtain best value financing package**
  - **Given strength of qualitative and quantitative factors**
- **Minimize impact on the procurement process**
  - **Drive competition through current RFP process**
- **Seek transparency in financing proposals**
- **Foster developer-lender relationships**
  - **Financial Firms of Interest List – Appendix AA**

Financing Competition – Step One Requirements

- One financing firm (at a minimum)
- Provides Term Sheet

"A document summarizing the details of a potential financing structure, and anticipated timeline and the terms under which a final business agreement would be executed."

- Review of the Legal Documents
- Financial Firm provides "highly confident statement" of its ability to finance proposed concept

Financing Competition – Step Two Requirements

- Minimum of three financing proposals, including Term Sheets
  - Firms may provide multiple financing structures
- One Commitment Letter

  "A formal offer by an investor making explicit the events leading up to and terms under which it agrees to lend money to a specific borrower over a certain period of time."
- Complete Qualitative Evaluation Summary
  - Rationale for selection
- Complete Quantitative Financing Evaluation
  - Appendix BB calculates All-In Cost of Financing

Financing Competition – Appendix AA

Mr./Ms.	First Name	Last Name	Company	Street Address	City	State	Zip Code	Email	Phone
Mr.	Wendell	Gaertner	Banc of America Securities	FL2-020001-04, 1640 Gulf to Bay Boulevard	Clearwater	FL	33755	wendell.g.gaertner@bankofamerica.co	(727) 4625811
Mr.	Jeffrey	Orum	Bear, Stearns & Co. Inc.	383 Madison Avenue	New York	NY	10179	jorum@bear.com	(212) 2722840
Mr.	Nathaniel	Singer	Bear, Stearns & Co. Inc.	383 Madison Avenue	New York	NY	10179	nsinger@bear.com	(212) 2722840
Mr.	Peter	Weiss	Bear, Stearns & Co. Inc.	245 Park Avenue	New York	NY	10167	pweiss@bear.com	(212) 2725948
Ms.	Angela	Hyland	Calyon	1301 Avenue of the Americas	New York	NY	10019	angela.hyland@clamericas.com	(212) 2617820
Mr.	William	Corrado	Citigroup	390 Greenwich Street, 2nd Floor	New York	NY	10013	william.m.corrado@citigrp.com	(212) 7234879
Mr.	Michael	Toth	Citigroup	390 Greenwich Street, 2nd Floor	New York	NY	10013	michael.e.toth@citigroup.com	(212) 7235697
Mr.	Stephan	Farnsworth	Credit Suisse First Boston	701 Poydras Street, Suite 310	New Orleans	LA	70139	sfarnsworth@colfin.com	(504) 5850581
Mr.	Richard	Lerner	Credit Suisse First Boston	11 Madison Avenue	New York	NY	10010	richard.lerner@csfb.com	(212) 5385858
Mr.	Dan	Ray	GMAC	1801 California Street, Suite 3700	Denver	CO	80202	dan ray@gmaccm.com	(303) 2943152
Mr.	Mark	Buono	Goldman, Sachs & Co.	85 Broad Street	New York	NY	10004	mark.buono@gs.com	(212) 9023824
Mr.	Adam	Sherman	Goldman, Sachs & Co.	85 Broad Street	New York	NY	10004	adam.sherman@gs.com	(212) 9028489
Mr.	Lawrence	Stephens	JP Morgan	270 Park Avenue, 48th Floor	New York	NY	10017	lawrence.stephens@jpmorgan.com	(212) 2703644
Mr.	Gary	Brandt	Lehman Brothers	399 Park Avenue	New York	NY	10022	gbrandt@lehman.com	(212) 5264345
Mr.	Randy	Hynote	Lehman Brothers	555 California Street 30th Floor	San Francisco	CA	94104	rhynote@lehman.com	(415) 2745363
Mr.	Philip	Korot	Lehman Brothers	399 Park Avenue	New York	NY	10022	pkorot@lehman.com	(212) 5264842
Mr.	Brian	Hogan	Merrill Lynch	4 World Financial Center	New York	NY	10080	bhogan@exchange.ml.com	(212) 4482100
Mr.	S. Abid	Rizvi	Merrill Lynch	4 World Financial Center, 28th Floor	New York	NY	10080	arizvi@exchange.ml.com	(212) 4487764
Mr.	David	Notkin	Merrill Lynch	4 World Finacial Center, 9th Floor	New York	NY	10080	david_notkin@ml.com	(212) 4490696
Mr.	William	Cavagnaro	Morgan Keegan & Company	527 Madison Avenue, 25th Floor	New York	NY	10022	bill.cavagnaro@morgankeegano	(212) 5087585
Mr.	Richard	Dulaney	Morgan Keegan & Company	150 Forth Avenue North, Suite 1500	Nashville	TN	37219	Richard.Dulaney@morgankeegan.com	(800) 7640096
Mr.	Jorge	Garza	Raymond James &Associates, Inc.	745 East Mulberry Avenue Suite 210	San Antonio	TX	78212	jorge.garza@raymondjames.com	(210) 7853439
Mr.	Jerry	Pierce	Raymond James & Associates, Inc	745 East Mulberry Avenue Suite 210	San Antonio	TX	78212	jerrypierce@raymondjames.com	(210) 7853440
Mr.	Douglas	Cochrane	Wachovia Bank, N.A.	1970 Chain Bridge Road, VA1992	McLean	VA	22102	doug.cochran@wachovia.com	(703) 7606176

Financing Competition – Appendix BB

- Financial Terms
  - Principal Amount
  - Assumed Interest Rate
  - Amortization Term
  - Debt Coverage Ratio (DCR)
  - Year Sized

Financing Competition – Appendix BB (cont.)

- Interest Rate
  - Index Information
    - Benchmark index (i.e. libor swap, 30-year treasury)
    - Underlying Rate % (as of date)
  - BPS spread over index
    - Credit spread
    - Lockbox/servicing fee
    - Credit enhancement/insurance
    - Forward premium
  - Total Interest Rate (%)

Financing Competition – Appendix BB (cont.)

- **Fees, Costs, Expenses and Reserves**
  - **Underwriting Fee**
  - **Debt Service Reserve**
  - **Surety Policy**
  - **Registration Costs**
  - **Trustee Fees**
  - **Legal Expenses**
  - **Transfer Taxes**
  - **Title Insurance**
  - **Commitment Fee**
  - **Other Fees**
- All-In Cost of Financing (%)

PROPOSER / STRUCTURE	Financier I / Structure I	Financier I / Structure II	Financier II / Structure I	Financier II / Structure II	Financier II / Structure III
UNDERLYING ASSUMPTIONS					
Financial Terms					
Principal Amount ($M)					
Assumed interest rate on DSRF (%)					
Amortization Term (Yrs)					
DSCR					
Year Sized					
INTEREST ONLY PERIOD RATE (if applicable)					
Period Information					
Interest only period (Yrs)					
Benchmark Index					
Underlying Rate (%)					
Credit Spread (bps)					
As of Date					
INTEREST RATE					
Index Information					
Benchmark Index					
Underlying Rate (%)					
As of Date					
BPS spread over index					
Credit Spread (bps)					
Lockbox / Servicing Fee (bps)					
Credit Enhancement / Insurance (bps)					
Forward Premium (bps)					
Other (bps)					
Total Interest Rate (%)					

EXPENSES (as applicable)					
Fees, Costs, Expenses and Reserves					
Underwriting Fee (%)					
Underwriting Fee ($)					
Debt Service Reserve (months)					
Debt Service Reserve ($'s)					
Surety Policy Cost ($)					
Maximum Annual Debt Service ($)					
Registration Costs ($)					
Trustee Fees ($)					
Annual Surveillance Fees ($)					
Legal Expenses ($)					
Rating Agency ($)					
Transfer Taxes ($)					
Title Insurance ($)					
Surveys ($)					
Bond Fee ($)					
Commitment Fee ($)					
Other Third Party ($)					
Environmental Fee ($)					
Appraisals ($)					
Other Expenses, Costs and Fees ($)					
Total Expenses ($)					
TOTAL EXPENSES (as % of Principal Amount)					
ALL-IN COST OF FINANCING (%)					
Interest over life of loan					
ALL-IN COST OF FINANCING ($)					

Financing Competition – Conclusion

- **New RFP requirements to drive financing competition**
  - **Step Two - compete financing among three lenders (minimum)**
  - **Appendix AA – Firms of Interest List**
  - **Appendix BB – Quantitative Financing Evaluation**
- **One Commitment Letter from Selected Financing Firm**

Questions ?